

As Introduced

**127th General Assembly
Regular Session
2007-2008**

S. B. No. 199

Senator Mason

Cosponsors: Senators Stivers, Bocchieri, Fedor, Schuring, Miller, R.

—

A B I L L

To amend sections 5747.08, 5747.98, and 5751.98 and 1
to enact sections 1551.41 to 1551.47, 5747.81, and 2
5751.54 of the Revised Code to create tax credits 3
for constructing energy efficient and 4
environmentally responsible buildings. 5

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 5747.08, 5747.98, and 5751.98 be 6
amended and sections 1551.41, 1551.42, 1551.43, 1551.44, 1551.45, 7
1551.46, 1551.47, 5747.81, and 5751.54 of the Revised Code be 8
enacted to read as follows: 9

Sec. 1551.41. As used in sections 1551.41 to 1551.47 of the 10
Revised Code: 11

(A) "Allowable costs" means amounts charged to a capital 12
account that are paid or incurred with respect to the construction 13
or rehabilitation of an eligible building on or after January 1, 14
2007. "Allowable costs" include the cost of the following: 15

(1) Building materials; 16

(2) Interest paid or incurred during the construction or 17
rehabilitation process on construction or rehabilitation loans; 18

<u>(3) Closing costs for construction or rehabilitation loans;</u>	19
<u>(4) Architectural, engineering, and other professional fees attributable to the construction or rehabilitation;</u>	20 21
<u>(5) Lighting, plumbing, electrical wiring, ventilation, and other finishes and furnishings approved under rules adopted by the director of development under section 1551.47 of the Revised Code;</u>	22 23 24
<u>(6) Testing and adjusting heat, ventilation, air conditioning, and other systems to assure proper functioning and adherence to design criteria;</u>	25 26 27
<u>(7) Preparing system operation manuals for heat, ventilation, air conditioning, and other systems; and</u>	28 29
<u>(8) Training maintenance personnel in the operation of heat, ventilation, air conditioning, and other systems.</u>	30 31
<u>"Allowable costs" do not include legal fees; the cost of telephone systems or computers; site costs such as temporary electrical wiring, scaffolding, demolition, fencing, and security; and finishes and furnishings not approved under rules adopted by the director of development.</u>	32 33 34 35 36
<u>(B) "Alternate energy source" means any of the following devices if the device is capable of monitoring its own energy output:</u>	37 38 39
<u>(1) A fuel cell that produces electricity from hydrogen or hydrocarbon fuel through a noncombustive electrochemical process;</u>	40 41
<u>(2) A wind turbine; or</u>	42
<u>(3) A photovoltaic module.</u>	43
<u>(C) "Eligible building" means a building located in this state, construction or rehabilitation of which is completed on or after January 1, 2007, and:</u>	44 45 46
<u>(1) In the case of a newly constructed building for which a</u>	47

certificate of occupancy is issued by the building official with 48
jurisdiction before the effective date of the enactment of this 49
section by of the 127th general assembly: 50

(a) Consists of at least twenty thousand square feet of 51
interior space and is used primarily for nonresidential purposes; 52
or 53

(b) Is used for residential purposes and consists of at least 54
twelve separate dwelling units and at least twenty thousand square 55
feet of interior space. 56

(2) In the case of a newly constructed building for which a 57
certificate of occupancy is issued by the building official with 58
jurisdiction on or after the effective date of the enactment of 59
this section by of the 127th general assembly: 60

(a) Is located on a brownfield as defined in section 122.65 61
of the Revised Code or in a distressed area as defined in section 62
122.16 of the Revised Code; and 63

(b) Is not located on any wetland the alteration of which 64
requires a permit under the federal Clean Water Act of 1977, 91 65
Stat. 1566, 33 U.S.C.A. 1251. 66

(3) In the case of a rehabilitated building, a building that: 67

(a) Has total square footage that has increased by 68
twenty-five per cent or less since the date on which the building 69
was first erected; and 70

(b) Is located on a brownfield as defined in section 122.65 71
of the Revised Code or in a distressed area as defined in section 72
122.16 of the Revised Code. 73

(D) "Cost" and "purchase" have the same meanings as in 74
section 179 of the Internal Revenue Code. 75

(E) "Green base components" means an eligible building's 76
structural components and all areas of the building not intended 77

for human occupancy that satisfy the criteria for green base 78
components prescribed by the director of development under section 79
1551.47 of the Revised Code. "Green base components" include, 80
without limitation, exterior walls, floors, windows, roofs, 81
foundations, chimneys, parking areas, mechanical rooms, mechanical 82
systems, lobbies, stairwells, shafts, and corridors. 83

(F) "Green tenant space" means those portions of an eligible 84
building that are intended for human occupancy and that satisfy 85
the criteria prescribed by the director for green tenant space 86
under section 1551.47 of the Revised Code. 87

(G) "Incremental cost of photovoltaic modules" means the 88
total of the following: 89

(1) The cost of building-integrated photovoltaic modules and 90
any associated inverter; additional wiring or other electrical 91
equipment for the modules; and additional mounting or structural 92
materials, less the cost of spandrel glass or other building 93
materials that would have been used even had building-integrated 94
modules not been installed; 95

(2) The labor costs allocable to on-site preparation, 96
assembly, and original installation of building-integrated 97
photovoltaic modules, less the labor costs that would have been 98
incurred had building-integrated modules not been installed; and 99

(3) The costs incurred for architectural and engineering 100
services and designs purchased for the sole purpose of installing 101
the building-integrated photovoltaic modules. 102

(H) "Taxable year" has the same meaning as in section 5747.01 103
of the Revised Code. 104

(I) "Tax period" has the same meaning as in section 5751.01 105
of the Revised Code. 106

Sec. 1551.42. (A) On or after January 1, 2008, the owner of 107

an eligible building may apply to the director of development for 108
a green building tax credit certificate authorizing the owner to 109
claim a tax credit under section 5747.81 or 5751.54 of the Revised 110
Code for allowable costs incurred in constructing or 111
rehabilitating the owner's eligible building and for the costs 112
incurred in installing alternate energy sources to serve the 113
building. A sole proprietorship or a pass-through entity as 114
defined in section 5733.04 of the Revised Code that is subject to 115
the tax levied under Chapter 5751. of the Revised Code is eligible 116
only for the tax credit under section 5751.54 of the Revised Code. 117

(B) An owner shall apply to the director for a certificate on 118
a form and in the manner prescribed by the director. Every 119
application for a green building tax credit certificate shall: 120

(1) Describe the eligible building and identify its location; 121

(2) Describe in detail the construction or rehabilitation and 122
the installation of alternate energy sources, if any, that took 123
place with respect to the owner's eligible building; 124

(3) Document the allowable costs associated with the 125
construction or rehabilitation; 126

(4) If the owner has installed an alternate energy source for 127
the building, document to the director's satisfaction that 128
installation has been completed and that the alternate energy 129
source is currently serving the owner's eligible building; 130

(5) If the owner installed a fuel cell or wind turbine for 131
the eligible building, specify the capitalized costs paid or 132
incurred with respect to the fuel cell or turbine; 133

(6) If the owner installed photovoltaic modules that are 134
integrated into the structure of the eligible building, specify 135
the incremental cost of the photovoltaic modules; 136

(7) If the owner installed photovoltaic modules that are not 137

integrated into the structure of the eligible building, specify 138
the cost paid for installing the photovoltaic modules; 139

(8) Specify whether the owner is applying for approval to 140
claim a tax credit under section 5747.81 or 5751.54 of the Revised 141
Code; and 142

(9) Contain any other information required by the director. 143

(C) Subject to section 1551.43 of the Revised Code, the 144
director shall issue a green building tax credit certificate to an 145
applicant if the director determines that: 146

(1) The owner has completed construction or rehabilitation of 147
the eligible building and has completed installation of any 148
alternate energy source for that eligible building; 149

(2) In the case of the construction of an eligible building, 150
a certificate of occupancy has been issued for the eligible 151
building by the building official with jurisdiction; 152

(3) All allowable costs for construction or rehabilitation of 153
the eligible building and all costs associated with the 154
installation of alternate energy sources have been documented to 155
the director's satisfaction; and 156

(4) The application satisfies any criteria for issuance 157
prescribed by the director by rule. 158

(D)(1) Each green building tax credit certificate issued by 159
the director shall specify the date on which the certificate is 160
issued. The credit shall be claimed for the taxable year or tax 161
period, as the case may be, that includes the date on which the 162
certificate is issued. 163

(2) Each green building tax credit certificate shall specify 164
the amount of credit to which the owner is entitled. The total 165
credit to which an owner is entitled shall be computed as the sum 166
of the amounts computed under divisions (D)(2)(a) and (b) of this 167

<u>section:</u>	168
<u>(a) The portion of the credit attributable to allowable costs associated with the construction or rehabilitation of the eligible building shall be:</u>	169
<u>(i) Eight per cent of the owner's allowable costs in the case of a construction or rehabilitation that culminates in the installation of both green base components and green tenant space, provided that the allowable costs used to compute this portion of the credit shall not exceed one hundred twenty dollars for each square foot of green base components and sixty dollars for each square foot of green tenant space;</u>	170
<u>(ii) Six per cent of the owner's allowable costs in the case of a construction or rehabilitation that culminates in the installation of green base components only, provided that the allowable costs used to compute this portion of the credit shall not exceed one hundred twenty dollars for each square foot of green base components;</u>	171
<u>(iii) Six per cent of the owner's allowable costs in the case of a construction or rehabilitation that culminates in the installation of green tenant space only, provided that the allowable costs used to compute this portion of the credit shall not exceed sixty dollars for each square foot of green tenant space.</u>	172
<u>(b) The portion, if any, of the credit attributable to costs incurred in installing alternate energy sources for the eligible building shall be the sum of the applicable amounts computed under divisions (D)(2)(b)(i) to (iii) of this section:</u>	173
<u>(i) If the eligible building's owner installed one or more fuel cells, thirty per cent of the capitalized costs paid or incurred for each fuel cell installed, including the cost of the foundation or platform on which the fuel cell or cells are</u>	174
	175
	176
	177
	178
	179
	180
	181
	182
	183
	184
	185
	186
	187
	188
	189
	190
	191
	192
	193
	194
	195
	196
	197
	198

situated and labor costs associated with installation, less the 199
amount of any public grant received by the owner for installing 200
the fuel cell or cells, and provided that the costs used to 201
compute this portion of the credit shall not exceed one thousand 202
dollars for each kilowatt of installed direct current (DC) rated 203
capacity of each fuel cell; 204

(ii) If the eligible building's owner installed one or more 205
wind turbines, twenty-five per cent of the capitalized costs paid 206
or incurred for each wind turbine installed, including the cost of 207
the foundation or platform on which the wind turbine or turbines 208
are situated and labor costs associated with the installation; 209

(iii) If the eligible building's owner installed photovoltaic 210
modules, the lesser of the amounts computed under division 211
(D)(2)(b)(iii)(I) and (II) of this section: 212

(I) Twenty per cent of the incremental cost of photovoltaic 213
modules that are directly integrated into the structure of the 214
eligible building and twenty-five per cent of the cost paid or 215
incurred for installing photovoltaic modules that are not directly 216
integrated into the structure of the eligible building, including 217
the cost of the foundation or platform on which the 218
non-building-integrated modules are situated and labor costs 219
associated with their installation; 220

(II) The product obtained by multiplying three dollars times 221
the number of watts included in the direct current (DC) rated 222
capacity of the photovoltaic modules installed. 223

(E) The director shall not issue green building tax credit 224
certificates after December 31, 2016. 225

Sec. 1551.43. (A) As used in this section, "applicable 226
calendar year limitation" means: 227

(1) One million dollars for calendar year 2008; 228

<u>(2) Two million dollars for calendar year 2009;</u>	229
<u>(3) Three million dollars for calendar year 2010;</u>	230
<u>(4) Four million dollars for calendar year 2011;</u>	231
<u>(5) Five million dollars for calendar year 2012;</u>	232
<u>(6) Four million dollars for calendar year 2013;</u>	233
<u>(7) Three million dollars for calendar year 2014;</u>	234
<u>(8) Two million dollars for calendar year 2015;</u>	235
<u>(9) One million dollars for calendar year 2016.</u>	236
<u>(B)(1) Except as provided in division (B)(2) of this section,</u>	237
<u>the director of development shall not in any calendar year issue a</u>	238
<u>green building tax credit certificate if issuing the certificate</u>	239
<u>would cause the total amount of credits approved during that</u>	240
<u>calendar year to exceed the applicable calendar year limitation.</u>	241
<u>(2) If the total amount of credits approved in any calendar</u>	242
<u>year is less than the applicable calendar year limitation for that</u>	243
<u>year, the excess may be carried forward to one or more succeeding</u>	244
<u>calendar years and used to increase the applicable calendar year</u>	245
<u>limitations for those years.</u>	246
<u>Sec. 1551.44.</u> <u>On the fifteenth day of January each year</u>	247
<u>beginning in 2009 and ending in 2017, the director of development</u>	248
<u>shall provide to the tax commissioner a list identifying each</u>	249
<u>owner of an eligible building who was issued a green building tax</u>	250
<u>credit certificate during the preceding calendar year. The list</u>	251
<u>shall specify the amount of credit to which each owner is entitled</u>	252
<u>and the date on which it was issued.</u>	253
<u>Sec. 1551.45.</u> <u>(A) In each of the first five years after the</u>	254
<u>year in which a green building tax credit certificate has been</u>	255
<u>issued for an eligible building, the building owner shall file</u>	256

with the director of development an annual certification from a 257
licensed architect or engineer attesting that all green base 258
components, green tenant space, or alternate energy sources for 259
which the owner's credit was approved remain in service and 260
continue to qualify as green base components, green tenant space, 261
or alternate energy sources, as the case may be. The certification 262
shall be filed in such manner and on such date as the director 263
prescribes by rule. The certification shall be in a form and shall 264
contain such additional information as the director requires by 265
rule. 266

(B) The director of development shall adopt rules prescribing 267
penalties for failing to submit the certification required under 268
division (A) of this section. The rules shall include procedures 269
for notifying owners of their failure to file and the imposition 270
of a penalty; provide owners with the opportunity for a hearing; 271
and prescribe criteria for waiving penalties upon an owner's 272
showing of good cause for failing to submit a certification. 273

Sec. 1551.46. On or before the thirty-first day of January of 274
each year beginning in 2009 and ending in 2017, the director of 275
development and the tax commissioner jointly shall submit to the 276
governor, the speaker of the house of representatives, and the 277
president of the senate a report that: 278

(A) States the number of green building tax credit 279
certificates issued during the preceding calendar year and the 280
dollar amounts of the credits approved with respect to each 281
certificate; 282

(B) Identifies the location of each eligible building for 283
which a tax credit certificate was issued during the preceding 284
calendar year; 285

(C) Describes the construction or rehabilitation completed 286

for each eligible building for which a certificate was issued, 287
including a description of any alternate energy sources installed 288
for those eligible buildings; 289

(D) Specifies the amount of tax credits claimed by owners of 290
eligible buildings during the calendar year; and 291

(E) Contains any other information, analyses, or 292
recommendations that the director and tax commissioner consider 293
relevant. 294

Sec. 1551.47. The director of development shall adopt rules 295
necessary to administer sections 1551.41 to 1551.46 of the Revised 296
Code. The rules shall prescribe all of the following: 297

(A) Criteria that qualify structural components used in the 298
construction or rehabilitation of an eligible building as green 299
base components and qualify other portions of an eligible building 300
as green tenant space, which criteria shall: 301

(1) Be consistent with criteria established by the United 302
States green building council for "green buildings" or other 303
similar criteria established by a federal agency or nonprofit 304
organization committed to promoting the construction of 305
environmentally responsible buildings; and 306

(2) Require that an eligible building's total energy 307
consumption be sixty-five per cent, in the case of a newly 308
constructed eligible building, or seventy-five per cent, in the 309
case of a rehabilitated eligible building, of the total energy 310
consumption of another appropriate building chosen by the director 311
for comparative purposes. 312

(B) Finishes and furnishings in addition to lighting, 313
plumbing, electrical wiring, and ventilation, the cost of which 314
constitute allowable costs. 315

(C) Forms and procedures by which owners of eligible 316

buildings may apply for green building tax credit certificates. 317

(D) Information to be included on applications for a green building tax credit certificate in addition to that required under division (B) of section 1551.42 of the Revised Code. 318
319
320

(E) Acceptable forms of documentation of the allowable costs incurred in constructing or rehabilitating an eligible building and the costs of installing an alternate energy source with respect to an eligible building. 321
322
323
324

(F) Acceptable forms of documentation that installation of an alternate energy source has been completed and is serving an eligible building. 325
326
327

(G) Any criteria for issuance of a green building tax credit certificate in addition to that prescribed under division (C) of section 1551.42 of the Revised Code. 328
329
330

(H) Procedures and criteria for ranking, reviewing, evaluating, and approving applications for green building tax credit certificates within the applicable dollar value limitations prescribed under section 1551.43 of the Revised Code. 331
332
333
334

(I) Forms and procedures by which owners of eligible buildings shall submit the annual certifications required under section 1551.45 of the Revised Code and any information to be included in those certifications in addition to the information required under that section. 335
336
337
338
339

(J) Penalties for failing to submit the annual certifications required under section 1551.45 of the Revised Code, procedures for notifying owners of the imposition of those penalties, procedures for holding hearings, and criteria for waiving a penalty upon an owner's showing of good cause for failing to submit a certification. 340
341
342
343
344
345

Sec. 5747.08. An annual return with respect to the tax 346

imposed by section 5747.02 of the Revised Code and each tax 347
imposed under Chapter 5748. of the Revised Code shall be made by 348
every taxpayer for any taxable year for which the taxpayer is 349
liable for the tax imposed by that section or under that chapter, 350
unless the total credits allowed under divisions (E), (F), and (G) 351
of section 5747.05 of the Revised Code for the year are equal to 352
or exceed the tax imposed by section 5747.02 of the Revised Code, 353
in which case no return shall be required unless the taxpayer is 354
liable for a tax imposed pursuant to Chapter 5748. of the Revised 355
Code. 356

(A) If an individual is deceased, any return or notice 357
required of that individual under this chapter shall be made and 358
filed by that decedent's executor, administrator, or other person 359
charged with the property of that decedent. 360

(B) If an individual is unable to make a return or notice 361
required by this chapter, the return or notice required of that 362
individual shall be made and filed by the individual's duly 363
authorized agent, guardian, conservator, fiduciary, or other 364
person charged with the care of the person or property of that 365
individual. 366

(C) Returns or notices required of an estate or a trust shall 367
be made and filed by the fiduciary of the estate or trust. 368

(D)(1)(a) Except as otherwise provided in division (D)(1)(b) 369
of this section, any pass-through entity may file a single return 370
on behalf of one or more of the entity's investors other than an 371
investor that is a person subject to the tax imposed under section 372
5733.06 of the Revised Code. The single return shall set forth the 373
name, address, and social security number or other identifying 374
number of each of those pass-through entity investors and shall 375
indicate the distributive share of each of those pass-through 376
entity investor's income taxable in this state in accordance with 377
sections 5747.20 to 5747.231 of the Revised Code. Such 378

pass-through entity investors for whom the pass-through entity 379
elects to file a single return are not entitled to the exemption 380
or credit provided for by sections 5747.02 and 5747.022 of the 381
Revised Code; shall calculate the tax before business credits at 382
the highest rate of tax set forth in section 5747.02 of the 383
Revised Code for the taxable year for which the return is filed; 384
and are entitled to only their distributive share of the business 385
credits as defined in division (D)(2) of this section. A single 386
check drawn by the pass-through entity shall accompany the return 387
in full payment of the tax due, as shown on the single return, for 388
such investors, other than investors who are persons subject to 389
the tax imposed under section 5733.06 of the Revised Code. 390

(b)(i) A pass-through entity shall not include in such a 391
single return any investor that is a trust to the extent that any 392
direct or indirect current, future, or contingent beneficiary of 393
the trust is a person subject to the tax imposed under section 394
5733.06 of the Revised Code. 395

(ii) A pass-through entity shall not include in such a single 396
return any investor that is itself a pass-through entity to the 397
extent that any direct or indirect investor in the second 398
pass-through entity is a person subject to the tax imposed under 399
section 5733.06 of the Revised Code. 400

(c) Nothing in division (D) of this section precludes the tax 401
commissioner from requiring such investors to file the return and 402
make the payment of taxes and related interest, penalty, and 403
interest penalty required by this section or section 5747.02, 404
5747.09, or 5747.15 of the Revised Code. Nothing in division (D) 405
of this section shall be construed to provide to such an investor 406
or pass-through entity any additional deduction or credit, other 407
than the credit provided by division (J) of this section, solely 408
on account of the entity's filing a return in accordance with this 409
section. Such a pass-through entity also shall make the filing and 410

payment of estimated taxes on behalf of the pass-through entity	411
investors other than an investor that is a person subject to the	412
tax imposed under section 5733.06 of the Revised Code.	413
(2) For the purposes of this section, "business credits"	414
means the credits listed in section 5747.98 of the Revised Code	415
excluding the following credits:	416
(a) The retirement credit under division (B) of section	417
5747.055 of the Revised Code;	418
(b) The senior citizen credit under division (C) of section	419
5747.05 of the Revised Code;	420
(c) The lump sum distribution credit under division (D) of	421
section 5747.05 of the Revised Code;	422
(d) The dependent care credit under section 5747.054 of the	423
Revised Code;	424
(e) The lump sum retirement income credit under division (C)	425
of section 5747.055 of the Revised Code;	426
(f) The lump sum retirement income credit under division (D)	427
of section 5747.055 of the Revised Code;	428
(g) The lump sum retirement income credit under division (E)	429
of section 5747.055 of the Revised Code;	430
(h) The credit for displaced workers who pay for job training	431
under section 5747.27 of the Revised Code;	432
(i) The twenty-dollar personal exemption credit under section	433
5747.022 of the Revised Code;	434
(j) The joint filing credit under division (G) of section	435
5747.05 of the Revised Code;	436
(k) The nonresident credit under division (A) of section	437
5747.05 of the Revised Code;	438
(l) The credit for a resident's out-of-state income under	439

division (B) of section 5747.05 of the Revised Code; 440

(m) The low-income credit under section 5747.056 of the 441
Revised Code; 442

(n) The credit for constructing or rehabilitating eligible 443
buildings and for installing alternate energy sources at eligible 444
buildings under section 5747.81 of the Revised Code. 445

(3) The election provided for under division (D) of this 446
section applies only to the taxable year for which the election is 447
made by the pass-through entity. Unless the tax commissioner 448
provides otherwise, this election, once made, is binding and 449
irrevocable for the taxable year for which the election is made. 450
Nothing in this division shall be construed to provide for any 451
deduction or credit that would not be allowable if a nonresident 452
pass-through entity investor were to file an annual return. 453

(4) If a pass-through entity makes the election provided for 454
under division (D) of this section, the pass-through entity shall 455
be liable for any additional taxes, interest, interest penalty, or 456
penalties imposed by this chapter if the tax commissioner finds 457
that the single return does not reflect the correct tax due by the 458
pass-through entity investors covered by that return. Nothing in 459
this division shall be construed to limit or alter the liability, 460
if any, imposed on pass-through entity investors for unpaid or 461
underpaid taxes, interest, interest penalty, or penalties as a 462
result of the pass-through entity's making the election provided 463
for under division (D) of this section. For the purposes of 464
division (D) of this section, "correct tax due" means the tax that 465
would have been paid by the pass-through entity had the single 466
return been filed in a manner reflecting the tax commissioner's 467
findings. Nothing in division (D) of this section shall be 468
construed to make or hold a pass-through entity liable for tax 469
attributable to a pass-through entity investor's income from a 470
source other than the pass-through entity electing to file the 471

single return. 472

(E) If a husband and wife file a joint federal income tax 473
return for a taxable year, they shall file a joint return under 474
this section for that taxable year, and their liabilities are 475
joint and several, but, if the federal income tax liability of 476
either spouse is determined on a separate federal income tax 477
return, they shall file separate returns under this section. 478

If either spouse is not required to file a federal income tax 479
return and either or both are required to file a return pursuant 480
to this chapter, they may elect to file separate or joint returns, 481
and, pursuant to that election, their liabilities are separate or 482
joint and several. If a husband and wife file separate returns 483
pursuant to this chapter, each must claim the taxpayer's own 484
exemption, but not both, as authorized under section 5747.02 of 485
the Revised Code on the taxpayer's own return. 486

(F) Each return or notice required to be filed under this 487
section shall contain the signature of the taxpayer or the 488
taxpayer's duly authorized agent and of the person who prepared 489
the return for the taxpayer, and shall include the taxpayer's 490
social security number. Each return shall be verified by a 491
declaration under the penalties of perjury. The tax commissioner 492
shall prescribe the form that the signature and declaration shall 493
take. 494

(G) Each return or notice required to be filed under this 495
section shall be made and filed as required by section 5747.04 of 496
the Revised Code, on or before the fifteenth day of April of each 497
year, on forms that the tax commissioner shall prescribe, together 498
with remittance made payable to the treasurer of state in the 499
combined amount of the state and all school district income taxes 500
shown to be due on the form, unless the combined amount shown to 501
be due is one dollar or less, in which case that amount need not 502
be remitted. 503

Upon good cause shown, the tax commissioner may extend the 504
period for filing any notice or return required to be filed under 505
this section and may adopt rules relating to extensions. If the 506
extension results in an extension of time for the payment of any 507
state or school district income tax liability with respect to 508
which the return is filed, the taxpayer shall pay at the time the 509
tax liability is paid an amount of interest computed at the rate 510
per annum prescribed by section 5703.47 of the Revised Code on 511
that liability from the time that payment is due without extension 512
to the time of actual payment. Except as provided in section 513
5747.132 of the Revised Code, in addition to all other interest 514
charges and penalties, all taxes imposed under this chapter or 515
Chapter 5748. of the Revised Code and remaining unpaid after they 516
become due, except combined amounts due of one dollar or less, 517
bear interest at the rate per annum prescribed by section 5703.47 518
of the Revised Code until paid or until the day an assessment is 519
issued under section 5747.13 of the Revised Code, whichever occurs 520
first. 521

If the tax commissioner considers it necessary in order to 522
ensure the payment of the tax imposed by section 5747.02 of the 523
Revised Code or any tax imposed under Chapter 5748. of the Revised 524
Code, the tax commissioner may require returns and payments to be 525
made otherwise than as provided in this section. 526

To the extent that any provision in this division conflicts 527
with any provision in section 5747.026 of the Revised Code, the 528
provision in that section prevails. 529

(H) If any report, claim, statement, or other document 530
required to be filed, or any payment required to be made, within a 531
prescribed period or on or before a prescribed date under this 532
chapter is delivered after that period or that date by United 533
States mail to the agency, officer, or office with which the 534
report, claim, statement, or other document is required to be 535

filed, or to which the payment is required to be made, the date of 536
the postmark stamped on the cover in which the report, claim, 537
statement, or other document, or payment is mailed shall be deemed 538
to be the date of delivery or the date of payment. 539

If a payment is required to be made by electronic funds 540
transfer pursuant to section 5747.072 of the Revised Code, the 541
payment is considered to be made when the payment is received by 542
the treasurer of state or credited to an account designated by the 543
treasurer of state for the receipt of tax payments. 544

"The date of the postmark" means, in the event there is more 545
than one date on the cover, the earliest date imprinted on the 546
cover by the United States postal service. 547

(I) The amounts withheld by the employer pursuant to section 548
5747.06 of the Revised Code shall be allowed to the recipient of 549
the compensation as credits against payment of the appropriate 550
taxes imposed on the recipient by section 5747.02 and under 551
Chapter 5748. of the Revised Code. 552

(J) If, in accordance with division (D) of this section, a 553
pass-through entity elects to file a single return and if any 554
investor is required to file the return and make the payment of 555
taxes required by this chapter on account of the investor's other 556
income that is not included in a single return filed by a 557
pass-through entity, the investor is entitled to a refundable 558
credit equal to the investor's proportionate share of the tax paid 559
by the pass-through entity on behalf of the investor. The investor 560
shall claim the credit for the investor's taxable year in which or 561
with which ends the taxable year of the pass-through entity. 562
Nothing in this chapter shall be construed to allow any credit 563
provided in this chapter to be claimed more than once. For the 564
purposes of computing any interest, penalty, or interest penalty, 565
the investor shall be deemed to have paid the refundable credit 566
provided by this division on the day that the pass-through entity 567

paid the estimated tax or the tax giving rise to the credit. 568

Sec. 5747.81. An individual who has been issued a green building tax credit certificate under section 1551.42 of the Revised Code may claim a nonrefundable credit against the tax imposed by section 5747.02 of the Revised Code. The amount of the credit shall be the amount specified in the certificate and shall be claimed for the taxable year that includes the date on which the certificate is issued. The credit shall be claimed in the order required under section 5747.98 of the Revised Code. If the credit to which a taxpayer would otherwise be entitled under this section for the taxable year is greater than the tax otherwise due, after allowing for any other credit that precedes the credit allowed under this section in the order required under section 5747.98 of the Revised Code, the excess may be carried forward as a nonrefundable credit for the ensuing ten taxable years, provided that the taxpayer shall deduct the amount of the excess credit allowed in any taxable year from the balance carried forward to the next taxable year. 569
570
571
572
573
574
575
576
577
578
579
580
581
582
583
584
585

Sec. 5747.98. (A) To provide a uniform procedure for calculating the amount of tax due under section 5747.02 of the Revised Code, a taxpayer shall claim any credits to which the taxpayer is entitled in the following order: 586
587
588
589

(1) The retirement income credit under division (B) of section 5747.055 of the Revised Code; 590
591

(2) The senior citizen credit under division (C) of section 5747.05 of the Revised Code; 592
593

(3) The lump sum distribution credit under division (D) of section 5747.05 of the Revised Code; 594
595

(4) The dependent care credit under section 5747.054 of the Revised Code; 596
597

(5) The lump sum retirement income credit under division (C) of section 5747.055 of the Revised Code;	598 599
(6) The lump sum retirement income credit under division (D) of section 5747.055 of the Revised Code;	600 601
(7) The lump sum retirement income credit under division (E) of section 5747.055 of the Revised Code;	602 603
(8) The low-income credit under section 5747.056 of the Revised Code;	604 605
(9) The credit for displaced workers who pay for job training under section 5747.27 of the Revised Code;	606 607
(10) The campaign contribution credit under section 5747.29 of the Revised Code;	608 609
(11) The twenty-dollar personal exemption credit under section 5747.022 of the Revised Code;	610 611
(12) The joint filing credit under division (G) of section 5747.05 of the Revised Code;	612 613
(13) The nonresident credit under division (A) of section 5747.05 of the Revised Code;	614 615
(14) The credit for a resident's out-of-state income under division (B) of section 5747.05 of the Revised Code;	616 617
(15) The credit for employers that enter into agreements with child day-care centers under section 5747.34 of the Revised Code;	618 619
(16) The credit for employers that reimburse employee child care expenses under section 5747.36 of the Revised Code;	620 621
(17) The credit for adoption of a minor child under section 5747.37 of the Revised Code;	622 623
(18) The credit for purchases of lights and reflectors under section 5747.38 of the Revised Code;	624 625
(19) The job retention credit under division (B) of section	626

5747.058 of the Revised Code;	627
(20) The credit for purchases of new manufacturing machinery and equipment under section 5747.26 or section 5747.261 of the Revised Code;	628 629 630
(21) The second credit for purchases of new manufacturing machinery and equipment and the credit for using Ohio coal under section 5747.31 of the Revised Code;	631 632 633
(22) The job training credit under section 5747.39 of the Revised Code;	634 635
(23) The enterprise zone credit under section 5709.66 of the Revised Code;	636 637
(24) The credit for the eligible costs associated with a voluntary action under section 5747.32 of the Revised Code;	638 639
(25) The credit for employers that establish on-site child day-care centers under section 5747.35 of the Revised Code;	640 641
(26) The ethanol plant investment credit under section 5747.75 of the Revised Code;	642 643
(27) The credit for purchases of qualifying grape production property under section 5747.28 of the Revised Code;	644 645
(28) The export sales credit under section 5747.057 of the Revised Code;	646 647
(29) The credit for research and development and technology transfer investors under section 5747.33 of the Revised Code;	648 649
(30) The enterprise zone credits under section 5709.65 of the Revised Code;	650 651
(31) The research and development credit under section 5747.331 of the Revised Code;	652 653
(32) <u>The credit for constructing or rehabilitating eligible buildings and for installing alternate energy sources at eligible</u>	654 655

buildings under section 5747.81 of the Revised Code; 656

(33) The refundable credit for rehabilitating a historic 657
building under section 5747.76 of the Revised Code; 658

~~(33)~~(34) The refundable jobs creation credit under division 659
(A) of section 5747.058 of the Revised Code; 660

~~(34)~~(35) The refundable credit for taxes paid by a qualifying 661
entity granted under section 5747.059 of the Revised Code; 662

~~(35)~~(36) The refundable credits for taxes paid by a 663
qualifying pass-through entity granted under division (J) of 664
section 5747.08 of the Revised Code; 665

~~(36)~~(37) The refundable credit for tax withheld under 666
division (B)(1) of section 5747.062 of the Revised Code; 667

~~(37)~~(38) The refundable credit under section 5747.80 of the 668
Revised Code for losses on loans made to the Ohio venture capital 669
program under sections 150.01 to 150.10 of the Revised Code. 670

(B) For any credit, except the credits enumerated in 671
divisions (A)~~(32)~~(33) to ~~(37)~~(38) of this section and the credit 672
granted under division (I) of section 5747.08 of the Revised Code, 673
the amount of the credit for a taxable year shall not exceed the 674
tax due after allowing for any other credit that precedes it in 675
the order required under this section. Any excess amount of a 676
particular credit may be carried forward if authorized under the 677
section creating that credit. Nothing in this chapter shall be 678
construed to allow a taxpayer to claim, directly or indirectly, a 679
credit more than once for a taxable year. 680

Sec. 5751.54. A taxpayer that has been issued a tax credit 681
certificate under section 1551.42 of the Revised Code may claim a 682
nonrefundable credit against the tax imposed by this chapter. The 683
amount of the credit shall be the amount specified on the 684
certificate and shall be claimed for the tax period that includes 685

the date on which the certificate is issued. The credit shall be 686
claimed in the order required under section 5751.98 of the Revised 687
Code. If the credit exceeds the taxpayer's tax liability for the 688
tax period after allowance for any other credits that precede the 689
credit under this section in that order, the excess may be carried 690
forward as a nonrefundable credit to ensuing tax periods, provided 691
that: 692

(A) The excess may not be carried forward to any tax period 693
that begins more than ten years after the end of the first tax 694
period for which the credit is claimed; and 695

(B) The taxpayer shall deduct the amount of the excess credit 696
allowed for any tax period from the balance carried forward to the 697
next tax period. 698

Sec. 5751.98. (A) To provide a uniform procedure for 699
calculating the amount of tax due under this chapter, a taxpayer 700
shall claim any credits to which it is entitled in the following 701
order: 702

(1) The nonrefundable jobs retention credit under division 703
(B) of section 5751.50 of the Revised Code; 704

(2) The nonrefundable credit for qualified research expenses 705
under division (B) of section 5751.51 of the Revised Code; 706

(3) The nonrefundable credit for a borrower's qualified 707
research and development loan payments under division (B) of 708
section 5751.52 of the Revised Code; 709

(4) The nonrefundable credit for calendar years 2010 to 2029 710
for unused net operating losses under division (B) of section 711
5751.53 of the Revised Code; 712

(5) The nonrefundable credit for constructing or 713
rehabilitating eligible buildings and for installing alternate 714

energy sources at eligible buildings under section 5751.54 of the 715
Revised Code; 716

(6) The refundable credit for calendar year 2030 for unused 717
net operating losses under division (C) of section 5751.53 of the 718
Revised Code; 719

~~(6)~~(7) The refundable jobs creation credit under division (A) 720
of section 5751.50 of the Revised Code. 721

(B) For any credit except the ~~credit~~ credits enumerated in 722
~~division~~ divisions (A)~~(4)~~(6) and (7) of this section, the amount 723
of the credit for a tax period shall not exceed the tax due after 724
allowing for any other credit that precedes it in the order 725
required under this section. Any excess amount of a particular 726
credit may be carried forward if authorized under the section 727
creating the credit. 728

Section 2. That existing sections 5747.08, 5747.98, and 729
5751.98 of the Revised Code are hereby repealed. 730